



COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS	REDEVELOPMENT AGENCY
Dennis Kennedy, Mayor	Dennis Kennedy, Chair
Greg Sellers, Mayor Pro Tempore	Greg Sellers, Vice-Chair
Larry Carr, Council Member	Larry Carr, Agency Member
Hedy Chang, Council Member	Hedy Chang, Agency Member
Steve Tate, Council Member	Steve Tate, Agency Member

WEDNESDAY, JUNE 16, 2004

AGENDA

JOINT MEETING

CITY COUNCIL SPECIAL AND REGULAR MEETING

and

REDEVELOPMENT AGENCY SPECIAL MEETING

6:00 P.M.

A Special Meeting of the City Council and Redevelopment Agency is Called at 6:00 P.M. for the Purpose of Conducting Closed Sessions.

Dennis Kennedy, Mayor/Chairman

CALL TO ORDER

(Mayor/Chairperson Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

(City Clerk/Agency Secretary Torrez)

6:00 P.M.

City Council Action and Redevelopment Agency Action

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Authority: Government Code Sections 54956.9(b) & (c)
Number of Potential Cases: 4

2.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Authority: Government Code 54956.8
Property: 215 Tennant Avenue, APN: 817-04-002
Negotiating Parties:
 For City: City Manager, Director of Public Works, City Attorney, and Attorney
 Gale Connor
 For Property Owners: Robert and Teresita Carrasco and Bruce Tichinin
Closed Session Topic/Under Negotiation: Price and Terms of Payment

3.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Authority: Government Code 54956.8
Property: 95 Tennant Avenue, APN: 817-04-006
Negotiating Parties:
 For City: City Manager, Director of Public Works, City Attorney, and Attorney
 Gale Connor
 For Property Owners: Marko and Klara Gera
Closed Session Topic/Under Negotiation: Price and Terms of Payment

4.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Authority: Government Code 54956.8
Property: 145 Tennant Avenue, APN: 817-04-008
Negotiating Parties:
 For City: City Manager, Director of Public Works, City Attorney, and Attorney
 Gale Connor
 For Property Owners: Joseph Hernandez, as trustee; et al
Closed Session Topic/Under Negotiation: Price and Terms of Payment

5.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Authority: Government Code section 54956.9(a)
Name of Case: Hacienda Valley Mobile Estates v. City of Morgan Hill.
Case Number: United States Supreme Court 03-1571

6.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Authority: Government Code section 54956.9(a)
Case Name: Hacienda Valley Mobile Estates v. City of Morgan Hill
Case Number: Santa Clara Superior Court, Case No. CV 807708

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

RECOGNITIONS

Retiring Parks & Recreation Commissioners
Daniel Kenney, Rick Page, Mary Ellen Salzano and Mark Moore
Recreation Manager Spier

YMCA Volunteers
Cricket Rubino and Maria Faust

Distinguished School Award
Nordstrom School
Principal Nancy Milo

Third Place Winners of Autonomous Vehicle Race
Digital Auto Drive/Velodyne Acoustics
Bruce and Dave Hall

CITY COUNCIL REPORT

Council Member Tate

CITY COUNCIL SUB-COMMITTEE REPORTS

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND
PRESENT IT TO THE CITY CLERK.**

(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE
CITY CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY
COUNCIL/REDEVELOPMENT AGENCY.**

City Council Action

CONSENT CALENDAR:

ITEMS 1-20 The Consent Calendar may be acted upon with one motion, a second and the vote, by each respective Agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

Time Estimate

Page

Consent Calendar: 1 - 10 Minutes

1. **MAY 2004 FINANCE & INVESTMENT REPORT** 1
Recommended Action(s): Accept and File Report.
2. **MONTHLY FINANCIAL & INVESTMENT REPORT SUBMITTAL** 27
Recommended Action(s): Direct Staff to Submit Each Month's Financial and Investment Report to the City Council on the Fourth Wednesday of the Following Month; Or, If No City Council Meeting Were Scheduled on that Date, to Submit the Report to the City Council on the Third Wednesday of the Following Month.
3. **SUBDIVISION, SD-04-01: COCHRANE-COYOTE ESTATES (PHASES 9 THROUGH 11)** 29
Recommended Action(s): Take No Action, Thereby Concurring with the Planning Commission's Decision Regarding Approval of the Subdivision Map.
4. **SUBDIVISION, SD-04-08: TILTON-GLENROCK** 59
Recommended Action(s): Take No Action, Thereby Concurring with the Planning Commission's Decision Regarding Approval of the Subdivision Map.
5. **EXTENSION OF CONTRACT FOR CONSULTANT PLANNING SERVICES** 85
Recommended Action(s): Authorize the City Manager to Execute a Contract in an Amount Not to Exceed \$63,000 for Contract Planning Services. Approval of the Contract Extension is Contingent upon City Council Approval of Planning Division's Fiscal Year 2004-2005 Budget as Recommended for Contract Labor Services.
6. **AQUATICS CENTER RENTAL INSURANCE REQUIREMENTS** 89
Recommended Action(s): Endorse Proposed Policy Concerning Minimum Insurance Requirements for Tenants who Lease or Operate Aquatics Center Facilities.
7. **REQUEST FOR CITY COUNCIL CO-SPONSORSHIP OF THE POPPY JASPER FILM FESTIVAL** 91
Recommended Action(s): Agree to Co-Sponsor the Poppy Jasper Film Festival Fundraiser Event/Film Festival in Name Only.
8. **REQUEST FOR COUNCIL SUPPORT OF AMERICANS FOR NATIONAL PARKS** 95
Recommended Action(s):
 1. Adopt Resolution in Support of Americans for National Parks; and
 2. Direct the City Clerk to Forward a Copy of the Resolution to the National Parks Conservation Association.

Time Estimate
Consent Calendar: 1 - 10 Minutes

Page

9. **RESOLUTION REQUESTING AUTHORIZATION UNDER SECTION 21221(h) OF CALIFORNIA CODE FROM PUBLIC EMPLOYEE'S RETIREMENT SYSTEM (CalPERS) FOR BRUCE CUMMING TO BE EMPLOYED FOR MORE THAN 960 HOURS IN CALENDAR YEAR 2004.** 101
Recommended Action(s): Approve the Resolution Requesting CalPERS for an Extension for Interim Police Chief Bruce Cumming to be Employed for More Than 960 Hours in Calendar Year 2004.

10. **EXTENSION OF EMPLOYMENT AGREEMENT FOR INTERIM APPOINTMENT OF CHIEF OF POLICE** 105
Recommended Action(s): Authorize the City Manager to Execute an Extension to the Employment Agreement with Interim Police Chief Bruce Cumming in an Amount Not to Exceed \$28,750, With All Other Conditions the Same.

11. **ACCEPTANCE OF BUTTERFIELD BOULEVARD LINEAR PARK PROJECT** 107
Recommended Action(s):
 1. Accept as Complete the Butterfield Boulevard Linear Park Project in the Final Amount of \$393,746.56; and
 2. Direct the City Clerk to File the Notice of Completion with the County Recorder's Office.

12. **AWARD OF CONTRACT FOR CONSTRUCTION OF EDMUNDSON WATER MAIN DISTRIBUTION, PHASE I** 111
Recommended Action(s): Award Contract to McGuire and Hester for the Construction of the Edmundson Water Main Distribution Project in the Amount of \$349,699, Subject to Review and Approval by the City Attorney.

13. **APPROVE PROFESSIONAL SERVICES CONTRACT FOR FEASIBILITY ANALYSIS FOR INTERIM SEWER TRUNK CONNECTION** 115
Recommended Action(s): Authorize the City Manager to Execute a Professional Services Contract in the Amount of \$35,410 with Schaaf & Wheeler for a Feasibility Analysis of an Interim Sewer Trunk Connection.

14. **AWARD OF CONTRACT FOR PARADISE PARK PLAYGROUND EQUIPMENT REPLACEMENT PROJECT** 117
Recommended Action(s):
 1. Award Contract to Bellicitti & Pellicciotti Company, Inc. in the Amount of \$79,990 for Construction of the Paradise Park Playground Equipment Replacement Project; and
 2. Authorize an \$8,000 (10%) Construction Contingency.

15. **AWARD OF CONTRACT TO PROVIDE PLAN CHECKING SERVICES ON AN AS-NEEDED BASIS** 119
Recommended Action(s):
 1. Approve Fiscal Year 2004-2005 Professional Services Contract with Harris & Associates to Provide Contract Plan Checking Services on an As Needed Basis at a Fee Not to Exceed \$100,000, Subject to Adoption of the Fiscal Year 2004-2005 Budget; and
 2. Authorize the City Manager to Execute the Contract, Subject to Review and Approval by the City Attorney.

16. **CONTRACT FOR INFORMATION TECHNOLOGY MANAGEMENT SERVICES** 121
Recommended Action(s): Authorize the City Manager to Execute an Agreement with the City of Palo Alto in an Amount Not to Exceed \$150,000 for Information Technology Management Services, Subject to Review and Approval of the City Attorney.

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
17.	<u>ADOPT ORDINANCE NO. 1676, NEW SERIES, AS AMENDED</u> Recommended Action(s): <u>Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1676, New Series, As Amended, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING AN AMENDMENT TO ORDINANCE NO. 1618, NEW SERIES, TO AMEND DEVELOPMENT AGREEMENT DAA-02-09 FOR APPLICATION MMP-02-02: DEWITT – MARQUEZ TO ALLOW FOR A SIX-MONTH EXTENSION TO THE APPROVED DEVELOPMENT SCHEDULE. (APN 773-08-014).	125
18.	<u>ADOPT ORDINANCE NO. 1677, NEW SERIES, AS AMENDED</u> Recommended Action(s): <u>Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1677, New Series, As Amended, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING ARTICLES II AND III, THE STANDARDS AND CRITERIA AND PROCEDURES OF THE RESIDENTIAL DEVELOPMENT CONTROL SYSTEM AS SET FORTH IN CHAPTER 18.78 OF THE MORGAN HILL MUNICIPAL CODE.	131
19.	<u>ADOPT ORDINANCE NO. 1678, NEW SERIES</u> Recommended Action(s): <u>Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1678, New Series, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL REPEALING CHAPTER 15.04 (Administrative Code) OF TITLE 15 (BUILDINGS AND CONSTRUCTION) OF THE MUNICIPAL CODE OF THE CITY OF MORGAN HILL, AND ADDING SECTION 15.04.100 (Violations of Chapter - Penalties) TO TITLE 15 (BUILDINGS AND CONSTRUCTION) OF THE MUNICIPAL CODE OF THE CITY OF MORGAN HILL, THEREBY AMENDING PROVISIONS OF THE UNIFORM ADMINISTRATIVE CODE REGARDING BUILDING ADVISORY COMMITTEES (UAC SECTION 204), VIOLATIONS (UAC SECTION 205), CERTIFICATE OF OCCUPANCY-CERTIFICATE ISSUED (UAC SECTION 309.3), and FEES (UAC TABLE 3-A).	185
20.	<u>AGREEMENT BETWEEN THE CITY AND INDEPENDENCE DAY, INC. TO CO-SPONSOR THE JULY FOURTH CELEBRATIONS</u> Recommended Action(s): <u>Authorize</u> the City Manager to Sign the Co-Sponsorship Agreement with Independence Day, Inc.	191

City Council and Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 21-24

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
21.	<u>AGREEMENTS WITH JOHNSON LUMBER</u> Recommended Action(s): <u>Authorize</u> the City Manager/Executive Director to do Everything Necessary and Appropriate to Make the Requested Modification to the Agreements.	203

Time Estimate

Page

Consent Calendar: 1 - 10 Minutes

22.	<u>APPROVE JOINT SPECIAL CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES FOR MAY 21, 2004</u>	219
23.	<u>APPROVE JOINT SPECIAL CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES FOR JUNE 2, 2004</u>	221
24.	<u>APPROVE JOINT SPECIAL AND REGULAR CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES FOR JUNE 2, 2004</u>	227

City Council Action

PUBLIC HEARINGS:

Time Estimate

Page

25.	10 Minutes	<u>ZONING AMENDMENT, ZA-04-01; DEVELOPMENT AGREEMENT, DA-04-01: TILTON-GLENROCK</u>	257
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Motion to Waive</u> the Reading in Full of the Zoning Amendment Ordinance. Action- <u>Motion to Introduce</u> Zoning Amendment Ordinance by Title Only. (Roll Call Vote) Action- <u>Motion to Waive</u> the Reading in Full of the Development Agreement Amendment Ordinance. Action- <u>Motion to Introduce</u> Development Agreement Ordinance by Title Only. (Roll Call Vote)	
26.	10 Minutes	<u>DEVELOPMENT AGREEMENT AMENDMENT, DAA-00-01: CHRISTEPH-KOSICH</u>	321
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Motion to Waive</u> the Reading in Full of the Development Agreement Amendment Ordinance. Action- <u>Motion to Introduce</u> Development Agreement Amendment Ordinance by Title Only. (Roll Call Vote)	
27.	5 Minutes	<u>DEVELOPMENT AGREEMENT AMENDMENT, DAA-03-10: COCHRANE-COYOTE ESTATES</u>	333
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Motion to Waive</u> the Reading in Full of the Development Agreement Amendment Ordinance. Action- <u>Motion to Introduce</u> Development Agreement Amendment Ordinance by Title Only. (Roll Call Vote)	

PUBLIC HEARINGS:

	Time Estimate		Page
28.	10 Minutes	<u>INTERIM USE PERMIT, UP-04-07: DEPOT-DAYWORKER CENTER</u>	361
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Adopt</u> Resolution Approving Interim Use Permit for Day Worker Center.	
29.	10 Minutes	<u>ORDINANCE AMENDING SECTIONS OF THE MUNICIPAL CODE REGARDING MASSAGE ESTABLISHMENTS</u>	399
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Motion to Waive</u> the Reading in Full of Ordinance Amending Chapter 5.32 of Title 5 of the Municipal Code Regarding Regulations of Massage Establishments and Practitioners. Action- <u>Motion to Introduce</u> Ordinance by Title Only. (Roll Call Vote) Action- <u>Adopt</u> Resolution Governing Fee Changes.	

City Council Action

OTHER BUSINESS:

	Time Estimate		Page
30.	10 Minutes	<u>REQUEST TO EXTEND PROVISIONS OF ORDINANCE NO. 1641, NEW SERIES</u>	409
		<u>Recommended Action(s): Council Discretion.</u>	
31.	5 Minutes	<u>HEARING FOR EXEMPTION TO UNDERGROUNDING OF UTILITIES – 600 TENNANT AVENUE</u>	421
		<u>Recommended Action(s):</u> 1. <u>Open and Close</u> Hearing; and 2. <u>Grant Exemption</u> to the Requirement to Underground Utilities with Payment of In Lieu Fees for the Proposed Development at 600 Tennant Avenue.	
32.	10 Minutes	<u>SETTING OF ANNUAL PUBLIC HEARING FOR FOX HOLLOW-MURPHY SPRINGS LIGHTING AND LANDSCAPE ASSESSMENT DISTRICT</u>	427
		<u>Recommended Action(s):</u> 1. <u>Approve</u> the Nine Resolutions Setting the Annual Public Hearing for the fiscal Year 2004-2005 Fox Hollow-Murphy Springs Lighting and Landscaping Assessment District, as follows: a) <u>Adopt</u> Three Resolutions, <u>Excluding</u> the Conte Gardens and Sandalwood Estate Zones; b) <u>Adopt</u> Three Resolutions, <u>Referring Only</u> to the Conte Gardens Zone; c) <u>Adopt</u> Three Resolutions, <u>Referring Only</u> to the Sandalwood Estates Zone; and 2. <u>Direct</u> the City Clerk to Notice a Copy of the Resolutions.	

OTHER BUSINESS:

	Time Estimate		Page
33.	20 Minutes	<u>REVENUE INCREASE REVIEW</u> <u>Recommended Action(s):</u> <u>Consider</u> Finance & Audit Committee Report and <u>Provide</u> <u>Direction</u> to Staff.	529
34.	15 Minutes	<u>COYOTE VALLEY SPECIFIC PLAN</u> <u>Recommended Action(s):</u> 1. <u>Consider</u> Recent Workshop and Task Force Actions Regarding Development of Specific Plan and <u>Formulate</u> City Position Regarding Same; 2. <u>Discuss and Refine</u> , As Necessary, the List of Mutual Concerns Regarding Coyote Valley Development; 3. <u>Review</u> Workplan for Continued Involvement in Coyote Valley Specific Plan (CVSP) Process; and 4. <u>Appropriate</u> \$15,000 From the Current Unappropriated General Fund Balance, If Desired.	547

City Council and Redevelopment Agency Action

OTHER BUSINESS:

	Time Estimate		Page
35.	5 Minutes	<u>ADOPTION OF FISCAL YEAR 2004-2005 BUDGET</u> <u>Recommended Action(s):</u> <u>Acting as City Council:</u> 1. <u>Approve</u> Resolution of the City of Morgan Hill Adopting the Fiscal Year 2004- 2005 Annual City Budget and Adopting Appropriations Limit for Fiscal Year 2004-2005. <u>Acting as Redevelopment Agency Board:</u> 2. <u>Approve</u> Resolution of the Redevelopment Agency of the City of Morgan Hill Adopting the Fiscal Year 2004-2005 Annual Agency Budget. <u>Acting as City Council and Redevelopment Agency Board:</u> 3. <u>Approve</u> the Capital Improvement Plan.	555

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT